

U.S. Department of Education

**Staff Report
to the
Senior Department Official
on
Recognition Compliance Issues**

RECOMMENDATION PAGE

1. **Agency:** National Association Of Schools Of Art and Design (1966/2007)

(The dates provided are the date of initial listing as a recognized agency and the date of the agency's last grant of recognition.)

2. **Action Item:** Petition for Continued Recognition

3. **Current Scope of Recognition:** The accreditation throughout the United States of freestanding institutions and units offering art/design and art/design-related programs (both degree- and non-degree-granting), including those offered via distance education.

4. **Requested Scope of Recognition:** Same

5. **Date of Advisory Committee Meeting:** June, 2013

6. **Staff Recommendation:** Continue the agency's recognition and require the agency to come into compliance within 12 months, and submit a compliance report that demonstrates the agency's compliance with the issues identified below.

7. **Issues or Problems:** It does not appear that the agency meets the following sections of the Secretary's Criteria for Recognition. These issues are summarized below and discussed in detail under the Summary of Findings section.

-- In order to be granted a waiver of the "separate and independent" requirements, agency must revise its policies to ensure that the Board of Directors of the association plays no role in making policy decisions of the agency as required in paragraph (d)(2) of this section. [§602.14(d)(e)]

-- The agency must provide adequate documentation that its policies

require its evaluation teams assigned to visit institutions to include both an academic and an administrator, as required by this criterion, and that it follows its policies in practice.

[§602.15(a)(3)]

-- The agency must provide adequate documentation that its policies require its evaluation teams assigned to visit programs to include both an Educator and an Practitioner, as required by this criterion, and that it follows its policies in practice. [§602.15(a)(4)]

-- The agency must provide documentation that demonstrates that on-site evaluators are required to review all the student services activities included in this section. and include discussion of the adequacy of the academic advising, career services, and other student services that are program-specific.

[§602.16(a)(1)(vi)]

-- The agency must provide documentation that it has a standard/procedures for reviewing a record of student compliants that applies to programs as well as to institutions. [§602.16(a)(1)(ix)]

-- The agency must provide evidence of the full cycle of its follow-up actions based on its monitoring, to include its communication to the institution/program, its review/assessment of the response from the institution/program to the concerns expressed, and the Commission's final action.

[§602.19(b)]

-- The agency must provide documentation that it has made the planned changes to its procedures and by-laws before it can be found in compliance with this criterion.

[§602.20(b)]

-- The agency needs to provide comprehensive documentation of its assessment of an application to establish a branch campus, evidencing its review and approval of the institution's business plan, and the results of its site visit. [§602.24(a)]

EXECUTIVE SUMMARY

PART I: GENERAL INFORMATION ABOUT THE AGENCY

The National Association of Schools of Arts and Design, (NASAD) Commission on Accreditation (COA) is both a programmatic and an institutional accreditor. The principal purpose of this agency is the accreditation of freestanding institutions and art/design units that offer degree-granting and non-degree-granting programs and the accreditation of programs within institutions accredited by a national recognized regional accreditor. However, only its freestanding schools may use accreditation by the agency to establish eligibility to participate in Title IV, HEA financial aid programs. The agency accredits 23 institutions in 13 states and the District of Columbia where the accreditation by NASAD COA may enable them to participate in Title IV programs administered by the U.S. Department of Education. The agency is presently the gatekeeper for these 23 institutions. The agency is seeking its continued waiver of the Secretary's "separate and independent" requirements

Recognition History

The NASAD COA was granted initial recognition in 1966 and have been periodically reviewed for renewal of recognition since that time. The last full review for continued recognition for the COA was at the National Advisory Committee on Institutional Quality and Integrity's (NACIQI) Fall 2007 meeting. The agency was granted renewal of its recognition for a period of five years and its scope of recognition was expanded to include distance education. The agency does not wish to have correspondence education included in its scope of recognition

PART II: SUMMARY OF FINDINGS

§602.14 Purpose and organization

(d) For purposes of paragraph (a)(3) of this section, the Secretary may waive the "separate and independent" requirements in paragraph (b) of this section if the agency demonstrates that--

(1) The Secretary listed the agency as a nationally recognized agency on or before October 1, 1991 and has recognized it continuously since that date;

(2) The related, associated, or affiliated trade association or membership organization plays no role in making or ratifying either the accrediting or policy decisions of the agency;

(3) The agency has sufficient budgetary and administrative autonomy to carry out its accrediting functions independently; and

(4) The agency provides to the related, associated, or affiliated trade association or membership organization only information it makes available to the public.

(e) An agency seeking a waiver of the "separate and independent" requirements under paragraph (d) of this section must apply for the waiver each time the agency seeks recognition or continued recognition.

(NOTE: An agency must respond to this section only if it is requesting a waiver of the "separate and independent" requirement.)

In accordance with the requirements of this section (d), the Commission on Accreditation of the NASAD is submitting a request to the Secretary for the continuation of its waiver of the Secretary's "separate and independent" requirements.

(1) The Secretary listed the agency as a nationally recognized agency on or before October 1, 1991 and has recognized it continuously since that date;

The agency has been continuously recognized by the Secretary since 1966. The Secretary granted the agency a waiver of the Secretary's "separate and independent" requirements in 1999 and it has requested and been granted that waiver continuously since that time

2) The related, associated, or affiliated trade association or membership organization plays no role in making or ratifying either the accrediting or policy decisions of the agency;

The Commission on Accreditation (the body recognized by the Secretary) submitted documentation that it states demonstrates that it functions autonomously and independently and neither depends upon nor is governed by any external entity with regard to any aspect of its operations. (NASAD Handbook 2012-2013: Constitution, Article V.; Bylaws, Articles III., IV., V., VI., and VIII.) The agency claims it is solely responsible for all policies related to accreditation, including the Standards, accreditation processes, accreditation procedures, and granting or taking other actions regarding accreditation. However, the agency's by-laws suggest that the Board of Directors of the Association is the policy-making entity. The by-laws Article III, Section 3.F.3 states that the Board "establishes and approves the Rules of Practice and Procedures" in the NASAD Handbook following consultation with the accredited institutional members; Article III, Section 3.F.6 states that the Board "votes on reports, actions and suggestions concerned with Association policies, procedures and accreditation standards proposed by various committees before they are presented to the Association for final action"; and Article X, Section 1 states "the accreditation standards of the Association shall be established and amended by a majority vote of the membership . . . with Board review and recommendation to be sent to all accredited members at least four weeks prior . . ." These functions of the Board related to the accrediting process are of concern to the Department as they appear to violate the provision in 602.14(d)(2) regarding the role of the related membership organization in making or ratifying the policy decisions of the agency.

(3) The agency has sufficient budgetary and administrative autonomy to carry out its accrediting functions independently; and

The agency submitted documentation (Audited Financial Statement, Period Ending June 30, 2012) demonstrating its autonomy in the development of its budget and collection of dues. The NASAD is a full partner with its three related associations (The Four Arts Partnership) and has its own financial operations totally separate from the other partnership members. The COA revenues are derived solely from membership dues, annual meetings, application and sales of publications, including library subscriptions. The COA has the budgetary and administrative autonomy to carry out its accrediting responsibilities independently from the NASAD.

(4) The agency provides to the related, associated, or affiliated trade association or membership organization only information it makes available to the public.

The agency provided its Rules of Practice and Procedures documenting its practice of disclosure and confidentiality and guidance on what type of information is to be released to the public. The agency only provides its affiliate organizations and partners the type of information that it provides to the public.

Analyst Remarks to Response:

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In response to the staff's draft analysis, the agency provided a detailed summary of the roles of the NASAD, its Board and Commission on Accreditation. The agency also committed to changes to its language that will "(a) further confirm and clarify the independence of the Commission on Accreditation with regard to accreditation decisions and accreditation operations, (b) provide further delineation of the roles of the Board of Directors and membership with regard to various categories of decision-making, including but not limited to clarification that these entities do not have any role in accreditation decisions regarding institutions, and (c) confirm present practice and protocols ensuring that the Commission on Accreditation makes available to the Association, including its Board of Directors and Executive Committee, only information that is publicly available. The agency has also committed to consulting with USDE staff as it develops these changes. The agency explains that "given the Association's published policies for making changes, amended texts cannot be provided at this time".

Department staff appreciates the agency's position on its organizational structure and NASAD's commitment to review its language in the Bylaws and in other documents describing the independence of the Commission on Accreditation with a view to providing additional confirmations and clarifications about that independence. However, the agency's response does not specifically address the major concern raised in the draft staff analysis, which is the role of the related membership organization (Board of Directors) in making or ratifying the policy decisions of the agency (602.14(d)(2)) and this remains a concern. Department staff understand the time involved in the process the agency has committed to and looks forward to working with the agency to resolve these concerns.

§602.15 Administrative and fiscal responsibilities

The agency must have the administrative and fiscal capability to carry out its accreditation activities in light of its requested scope of recognition.

The agency meets this requirement if the agency demonstrates that--

(a) The agency has--

(3) Academic and administrative personnel on its evaluation, policy, and decision-making bodies, if the agency accredits institutions;

The agency described what types of academic and administrative personnel are used by the agency in the activities of its Board, Commissioners and site reviewers. However, the agency's policies do not clearly require that its evaluation and decision-making bodies include academic and administrative personnel, and that these individuals are so-designated. The agency notes in its narrative that many of the individuals who are involved in agency activities fill multiple roles as practitioners, educators, academics, and administrators. The Department expects, especially with regard to site evaluators, that individuals

are specifically designated as filling the role of academic or administrator.

The COA also did not provide any documentation such as (Bios and/or Membership rosters) in order for the Department to verify the application of this requirement that the agency's policy- and decision-making bodies, and site review teams, and appeal panels include academic and administrative personnel.

Analyst Remarks to Response:

In response to the staff's draft analysis, the agency provided its amended policies that state that site evaluators, policy-makers, and decision-makers "shall have experience as academics, administrators, educators and practitioners" reinforcing its previous contention that these individuals qualify to fulfill multiple roles. The agency also provided a listing of evaluators (with names redacted, and containing no title or organizational affiliation), designating each as being an academic, administrator, educator and practitioner – that is, qualified to fill any and all of these categories. Likewise, the site team reports provided with this petition do not include the names or other information about the site visitors. The agency's policies do not specify that each team conducting a review of an institution will include an academic and an administrator, and its procedures for selecting site reviewers do not ensure that both roles (e.g., academic or administrator) are filled by an individual specifically designated as filling the role of academic or administrator. The agency's practice of making no distinctions among its site reviewers in accordance with the requirements of this section, and its failure to provide sufficient documentation of the composition of its site review teams to demonstrate that each contains an academic and an administrator, forms the basis for a finding of non-compliance.

The agency also provided a link to its website that contains brief bios of members of its policy- and decision-making bodies, demonstrating that they include academic and administrative personnel.

(4) Educators and practitioners on its evaluation, policy, and decision-making bodies, if the agency accredits programs or single-purpose institutions that prepare students for a specific profession;

The agency described what types of educator/practitioner personnel are used by the agency in the activities of its Board, Commissioners and site reviewers, but with no connection to present reality. However, the agency's policies do not clearly require that its evaluation and decision-making bodies include educators and practitioners, and that these individuals are so-designated. The agency notes in its narrative that many of the individuals who are involved in agency activities fill multiple roles as practitioners, educators, academics, and administrators. The Department expects that individuals are specifically designated as filling the role of educator or practitioner.

The COA also did not provide any documentation such as (Bios and/or Membership rosters) in order for the Department to verify the application of this requirement that the agency's policy- and decision-making bodies, and site review teams, and appeal panels include educator/practitioner personnel.

Analyst Remarks to Response:

In response to the staff's draft analysis, the agency provides its amended policies that state that site evaluators, policy-makers, and decision-makers "shall have experience as academics, administrators, educators and practitioners" reinforcing its previous contention that these individuals qualify to fulfill multiple roles. The agency also argued that the varied nature of programs it reviews requires that it have flexibility in putting together site review teams and that designating individuals to fill a role as an educator or a practitioner would compromise this flexibility. The agency further states that its pool of potential reviewers is "vast and extensive." That being the case, the agency should be able to meet the requirement of this criterion that each team reviewing programs include an educator and a practitioner who is so-designated.

§602.16 Accreditation and preaccreditation standards

(a) The agency must demonstrate that it has standards for accreditation, and preaccreditation, if offered, that are sufficiently rigorous to ensure that the agency is a reliable authority regarding the quality of the education or training provided by the institutions or programs it accredits. The agency meets this requirement if -

- **(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:**

(a)(1)(vi) Student support services.

The COA's student support service standards establish clear expectations as to what its accredited programs/institutions must provide their students. The agency evaluates the ability to provide students with accurate and complete information regarding campus policies, including admissions, attendance, academic grading, health and safety reports, health services, permanently maintained academic records and guidance. As well, the agency's standard requires that students have access to academic advising and career services.

The agency notes in its narrative that its student services standards are applied only to institutions that use its accreditation to establish eligibility to participate in Title IV programs. It is not acceptable to have this limited application of the agency's standards. The agency's scope of recognition is much broader and it must apply its standards across the board to all institutions/programs covered by that scope. In cases where the agency is reviewing a unit within an institution

that is accredited by another agency, it may affirm that the services are provided at the institutional level. However, in the case of academic advising, career services, and other student services that are program-specific, the Department expects the agency to do a thorough assessment of their adequacy. The agency must amend its policies and procedures to ensure that it applies all of its standards to all of its programs/institutions.

The COA did not provide any documentation demonstrating the evaluation of the agency's student support services requirements such as relevant portions of a completed self-study and site team report reflecting the review of the institution/program's compliance with its student services standards.

Analyst Remarks to Response:

In response to the staff's draft analysis, the agency stated that Section II H of its standards includes its requirements for student support services with regard to those programs for which the agency is not the Title IV gate keeper. This section of the standards deals with recruitment, admission-retention, record-keeping, and academic advisement and includes "recommendations" for advisement regarding course selection, career goals, and graduate education. However, the accompanying procedures for self-studies and procedures for visitors do not include any reference to the "recommendations" portion of the standard, and it is not clear that these program-specific student services are consistently evaluated and assessed.

Under 602.16(a)(1)(x), the agency provided an excerpt from a self study of an institution for which it serves as a Title IV gatekeeper. The self-study excerpt addresses all aspects of the detailed requirements in Section XX of the NASAD Handbook regarding institutionally-provided student services. In addition, the agency provided the corresponding excerpt from the site visitors report, demonstrating the agency's review of the institution's provision of student services.

The COA also provided excerpts from relevant portions of completed self studies and visitors reports as evidence of its review of programs' student services. While these documents address recruitment, admissions and record-keeping, they do not include discussion of the adequacy of the academic advising, career services, and other student services that are program-specific.

(a)(1)(ix) Record of student complaints received by, or available to, the agency.

The agency has clearly defined standards addressing student complaints. The agency requires that its accredited institutions/programs ensure students are afforded the opportunity and guidance on submitting complaints by providing a written complaint procedure and making it publicly available to all students. The agency also requires that its institutions/programs disclose its actions taken on student complaints and that the COA's site evaluation teams review the institutions' complaint policies, file maintenance and procedures for handling and resolving student complaints. However, the agency did not provide any documentation demonstrating the review and evaluation of this requirement.

Analyst Remarks to Response:

This section of the criteria requires that an agency have a standard/procedures that addresses the quality of the institution or program based on the record of student complaints received by, or available to, the agency. On further review following the agency's submission of its response, Department staff note that the agency's standard/procedures for student complaints (XX.1.G.8 and XX.2.G.1b) apply only to the institutions for which the agency serves as a Title-IV gatekeeper. As is made clear in 602.16(b), an agency must address all of the criteria under "Required Standards" in terms of the type or level of the program if it is accrediting programs. The agency needs to ensure that it has a standard/procedures for reviewing a record of student complaints that applies to all the entities it accredits to determine if a pattern of student complaints exists that would bring into question the institution's/program's fulfillment of one or more of the agency's expectations.

In response to the staff's draft analysis, the agency declares that it has not had the opportunity to apply the requirements of this section because the agency and its member institutions rarely receive complaints.

§602.19 Monitoring and reevaluation of accredited institutions and programs.

(b) The agency must demonstrate it has, and effectively applies, a set of monitoring and evaluation approaches that enables the agency to identify problems with an institution's or program's continued compliance with agency standards and that takes into account institutional or program strengths and stability. These approaches must include periodic reports, and collection and analysis of key data and indicators, identified by the agency, including, but not limited to, fiscal information and measures of student achievement, consistent with the provisions of §602.16(f). This provision does not require institutions or programs to provide annual reports on each specific accreditation criterion.

The COA has a multi-faceted approach to monitoring institutions and programs between comprehensive reviews, including Substantive Change, Plan Approval, Final Approval for Listing, the annual submission of the HEADS Data Survey, Accreditation Audits, Affirmation Statements, and Supplemental Annual Reports. All institutions for which NASAD is the designated institutional accreditor (Title IV gatekeeper) must submit Supplemental Annual Report forms which include information regarding tuition, fee schedules, a summary of the institution's involvement with federal and state student loan and grants programs, breakdown for each loan and grants program, and the percentage of general expenditures derived from Pell Grant funds; the annual audited financial statement with opinion; notice of any actions pending by statewide authorities, other accreditors, or federal or state student grants and loan authorities; total institutional enrollment and enrollment in programs offered via distance or correspondence education; and the status of any application for accreditation or reaccreditation to other accrediting bodies.

The agency provided a HEADS Data Survey and Data Summaries to demonstrate that it collects and follows up on a variety of reporting areas including for example, enrollment, financial, number of students graduating by gender/ethnicity/program, faculty (full-time/part-time), etc. . However, it is not clear that the agency regularly collects data on student achievement, as required under this criterion.

The agency described its processes for reviewing the information it collects, the manner by which it identifies significant changes, and the breadth of actions it takes as the result of its monitoring efforts. However, it did not provide any documentation of follow-up actions it has taken as a result of its monitoring activities.

Analyst Remarks to Response:

In response to the staff's draft analysis, the agency provided documentation demonstrating that COA regularly collects, reviews and monitors data on student achievement, (e.g., graduation rates) as required under this criterion. The agency also affirms that it has not had the opportunity to apply any follow up action due to concerns resulting from its monitoring activities regarding enrollment and graduation patterns.

However, the agency monitors many other aspects of its institutions'/programs' operations, including financial data, information on faculty, facilities, etc. The agency noted in its narrative that it regularly takes follow-up actions based on its monitoring. In order to demonstrate that effectiveness of its monitoring, the agency needs to provide evidence of the full cycle of such an action, to include its communication to the institution/program based on its monitoring, its review/assessment of the response from the institution/program to the concerns expressed, and the Commission's final action.

§602.20 Enforcement of standards

(b) If the institution or program does not bring itself into compliance within the specified period, the agency must take immediate adverse action unless the agency, for good cause, extends the period for achieving compliance.

The COA's written policies reflect that the agency may grant an extended period of time for an institution/program to come into compliance under a designated period referred to as a Probationary Status (a "Special Status" as defined in the agency's bylaws). It appears that an institution might be placed on probationary status for failing to come into compliance within the specified timeframe – and that the institution could be on this status for up to five years. During this time the agency is requiring the institution/program to provide further information. Also during this time period the institution is given further specific guidelines regarding coming into compliance.

The agency's policies are not clear that a decision to grant the institution an extension of the timeframe for coming into compliance is based on "good cause." While the agency's narrative indicates that this status is similar to extensions given for "good cause" and that the agency does not always apply these Special Status extensions, it is not clear to the Department that the agency's policy defines good cause as required by this section. Such a definition would make clear the limited circumstances under which good cause extensions would be granted and include the maximum timeframe for a good cause extension. Commonly-accepted practice in accreditation is to limit such extensions to no more than one year, with (at most) an additional one year extension under extraordinary circumstances. The COA's policies that allow an institution up to seven years to come into compliance (two years under the agency's "deferral" timeframe, and five years under the agency's "probationary status") are well outside commonly-accepted accreditation practices. It should be noted that the Department expects that good cause extensions will be granted rarely and in extraordinary circumstances.

The agency did not provide any documentation of its granting of good cause extensions/probationary status.

Analyst Remarks to Response:

In response to the staff's draft analysis, the agency provided its planned amendments and revisions to policies to include a definition of "good cause" compliant with this requirement and the Department's expectations and to its by-laws regarding the length of probationary status. The agency reports that it rarely faces the requirement to place an institution on a Special Sanction. As a result, at this time, no documentation demonstrating application of this requirement is available.

However, the agency is required to provide documentation that it has made the planned changes to its procedures and by-laws before it can be found in compliance with this criterion.

§602.24 Additional procedures certain institutional accreditors must have.

If the agency is an institutional accrediting agency and its accreditation or preaccreditation enables those institutions to obtain eligibility to participate in Title IV, HEA programs, the agency must demonstrate that it has established and uses all of the following procedures:

(a) Branch campus.

(1) The agency must require the institution to notify the agency if it plans to establish a branch campus and to submit a business plan for the branch campus that describes--

- (i) The educational program to be offered at the branch campus;**
- (ii) The projected revenues and expenditures and cash flow at the branch campus; and**
- (iii) The operation, management, and physical resources at the branch campus.**

(2) The agency may extend accreditation to the branch campus only after it evaluates the business plan and takes whatever other actions it deems necessary to determine that the branch campus has sufficient educational, financial, operational, management, and physical resources to meet the agency's standards.

(3) The agency must undertake a site visit to the branch campus as soon as practicable, but no later than six months after the establishment of that campus.

The agency provided its Rules of Practice and Procedures requiring an institution to follow the agency's written policies and process for submitting a business plan for its proposed branch campus and undergo a site visit. However, the agency did not demonstrate how it effectively applies its policies and procedures for institutions requesting the establishment of a branch campus.

Analyst Remarks to Response:

In response to the staff's draft analysis, the agency noted that an application to open a branch campus has been submitted to the agency and the agency's review is still in process. The agency provided a copy of the application for approval of the branch campus, which includes all the components listed in this criterion. Because the agency's review will be concluded within the next 12 months, the agency is required to submit the full dossier, evidencing its review and approval of the institution's application, and the results of its site visit.

PART III: THIRD PARTY COMMENTS

The Department did not receive any written third-party comments regarding this agency.